



3015 (02-02-05)

ANNUAL REPORT

OF

Name: CITY OF LOYAL MUNICIPAL WATER UTILITY

Principal Office: 301 NORTH MAIN STREET
P.O. BOX 9
LOYAL, WI 54446

For the Year Ended: DECEMBER 31, 2004

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I LISA RUETH of _____
(Person responsible for accounts)

_____, CITY OF LOYAL MUNICIPAL WATER UTILITY, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts)

03/31/2005
(Date)

VILLAGE CLERK _____
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: CITY OF LOYAL MUNICIPAL WATER UTILITY**Utility Address:** 301 NORTH MAIN STREET

P.O. BOX 9

LOYAL, WI 54446

When was utility organized? 1/1/1916**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: MS LISA RUETH**Title:** CITY CLERK TREASURER**Office Address:**

301 N MAIN STREET

P.O. BOX 9

LOYAL, WI 54446

Telephone: (715) 255 - 8772**Fax Number:** (715) 255 - 8733**E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name:**Title:** CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS**Office Address:** CLIFTON GUNDERSON LLP

435 JULIE STREET

P.O. BOX 547

TOMAH, WI 54660

Telephone: (608) 372 - 2177**Fax Number:** (608) 372 - 5462**E-mail Address:** debra.welch@cliftoncpa.com

President, chairman, or head of utility commission/board or committee:

Name: DAVE BAUER**Title:** CHAIRMAN**Office Address:**

214 S DIVISION STREET

LOYAL, WI 54446

Telephone: (715) 255 - 9425**Fax Number:** (715) 255 - 8733**E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name:**Title:** CERTIFIED PUBLIC ACCOUNTANTS**Office Address:** CLIFTON GUNDERSON LLP

435 JULIE STREET

P.O. BOX 547

TOMAH, WI 54660

Telephone: (608) 372 - 2177**Fax Number:** (608) 372 - 5462**E-mail Address:****Date of most recent audit report:** 3/31/2005**Period covered by most recent audit:** YEAR ENDED 12/31/04

Names and titles of utility management including manager or superintendent:

Name: MR TOM DUELL**Title:** PUBLIC WORKS DIRECTOR**Office Address:**

301 N MAIN STREET

P.O. BOX 9

LOYAL, WI 54446

Telephone: (715) 255 - 8772**Fax Number:** (715) 255 - 8733**E-mail Address:**

Name of utility commission/committee: UTILITY COMMITTEE

Names of members of utility commission/committee:

MR DAVE BAUER, COMMITTEE MEMBER

MR TIM FROEBA, COMMITTEE MEMBER

MR GREG HOESER, COMMITTEE MEMBER

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:**

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	141,879	145,270	1
Operating Expenses:			
Operation and Maintenance Expense (401)	71,052	64,304	2
Depreciation Expense (403)	17,374	15,785	3
Amortization Expense (404)	0	0	4
Taxes (408)	22,507	21,985	5
Total Operating Expenses	110,933	102,074	
Net Operating Income	30,946	43,196	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	30,946	43,196	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	907	1,202	9
Miscellaneous Nonoperating Income (421)	28,662	660	10
Total Other Income	29,569	1,862	
Total Income	60,515	45,058	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(3,631)	0	11
Other Income Deductions (426)	3,032	4,002	12
Total Miscellaneous Income Deductions	(599)	4,002	
Income Before Interest Charges	61,114	41,056	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	10,763	11,672	13
Amortization of Debt Discount and Expense (428)	109	109	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	68	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	10,872	11,849	
Net Income	50,242	29,207	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	390,875	238,799	19
Balance Transferred from Income (433)	50,242	29,207	20
Miscellaneous Credits to Surplus (434)	0	123,296	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	396	427	23
Appropriations of Income to Municipal Funds--Debit (439)			24
Total Unappropriated Earned Surplus End of Year (216)	440,721	390,875	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	141,879		141,879	1
Total (Acct. 400):	141,879	0	141,879	
Operation and Maintenance Expense (401):				
Derived	71,052		71,052	2
Total (Acct. 401):	71,052	0	71,052	
Depreciation Expense (403):				
Derived	17,374		17,374	3
Total (Acct. 403):	17,374	0	17,374	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	22,507		22,507	5
Total (Acct. 408):	22,507	0	22,507	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	30,946	0	30,946	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
FROM TEMPORARY INVESTMENTS	907	0	907	10
Total (Acct. 419):	907	0	907	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		28,662	28,662	11

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NONE	0	0	0 12
Total (Acct. 421):	0	28,662	28,662
TOTAL OTHER INCOME:	907	28,662	29,569

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(3,631)		(3,631) 13
NONE	0	0	0 14
Total (Acct. 425):	(3,631)	0	(3,631)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		3,032	3,032 15
NONE	0	0	0 16
Total (Acct. 426):	0	3,032	3,032
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(3,631)	3,032	(599)

INTEREST CHARGES**Interest on Long-Term Debt (427):**

Derived	10,763		10,763 17
Total (Acct. 427):	10,763	0	10,763

Amortization of Debt Discount and Expense (428):

NONE	109		109 18
Total (Acct. 428):	109	0	109

Amortization of Premium on Debt--Cr. (429):

NONE	0		0 19
Total (Acct. 429):	0	0	0

Interest on Debt to Municipality (430):

Derived	0		0 20
Total (Acct. 430):	0	0	0

Other Interest Expense (431):

Derived	0		0 21
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	10,872	0	10,872
NET INCOME:	24,612	25,630	50,242
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	279,212	111,663	390,875 23
Total (Acct. 216):	279,212	111,663	390,875
Balance Transferred from Income (433):			
Derived	24,612	25,630	50,242 24
Total (Acct. 433):	24,612	25,630	50,242
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 25
Total (Acct. 434):	0	0	0
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215	396		396 27
Total (Acct. 436)--Debit:	396	0	396
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	303,428	137,293	440,721

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	141,879	0	0	0	141,879	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained	195				195	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	141,684	0	0	0	141,684	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,025,494	991,535	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	387,865	438,711	2
Net Utility Plant	637,629	552,824	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	17,759	7,841	6
Special Funds (125)	26,493	26,097	7
Total Other Property and Investments	44,252	33,938	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	84,799	45,131	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	23,494	26,062	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	13,707	6,817	14
Materials and Supplies (150)	5,986	5,460	15
Prepayments (165)	122	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	128,108	83,470	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	971	1,080	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	26,538	33,422	20
Total Deferred Debits	27,509	34,502	
Total Assets and Other Debits	837,498	704,734	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	42,958	42,958	21
Appropriated Earned Surplus (215)	26,493	26,097	22
Unappropriated Earned Surplus (216)	440,721	390,875	23
Total Proprietary Capital	510,172	459,930	
LONG-TERM DEBT			
Bonds (221)	147,000	147,000	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	78,428	86,618	26
Total Long-Term Debt	225,428	233,618	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	1,820	1,335	28
Payables to Municipality (233)	26,333	8,514	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	3,974	330	32
Other Current and Accrued Liabilities (238)	783	1,007	33
Total Current and Accrued Liabilities	32,910	11,186	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	68,988	0	36
Total Deferred Credits	68,988	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	837,498	704,734	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	991,535	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	808,548	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	216,946	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	1,025,494	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	308,212	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	79,653	0	0	0	12
Total Accumulated Provision	387,865	0	0	0	
Net Utility Plant	637,629	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	362,090				362,090	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	17,374				17,374	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,367				1,367	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	18,741	0	0	0	18,741	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
Est Reg Liab(253): Docket 05-US-105	72,619				72,619	21
					0	22
					0	23
					0	24
Total debits	72,619	0	0	0	72,619	25
Balance end of year (110.1)	308,212	0	0	0	308,212	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	76,621				76,621	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	3,032				3,032	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	3,032	0	0	0	3,032	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (110.1)	79,653	0	0	0	79,653	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	5,986	5,460	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	5,986	5,460	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
74 Mortgage revenue bonds	109	428	971	1
Total			971	
Unamortized premium on debt (251)				
NONE				2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	42,958	1
Changes during year (explain):		
NONE		2
Balance end of year	42,958	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
'74 MORTGAGE REVENUE BONDS	03/20/1974	01/01/2013	5.00%	147,000	1
Total Bonds (Account 221):				147,000	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
CITIZEN BANK	11/26/2002	11/26/2012	3.97%	78,428	1
Total for Account 224				78,428	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	22,507	2
Charged electric department expense		3
Charged sewer department expense	421	4
Other (explain):		
NONE		5
Total Accruals and other credits	22,928	
Taxes paid during year:		
County, state and local taxes	20,785	6
Social Security taxes	1,974	7
PSC Remainder Assessment	169	8
Other (explain):		
NONE		9
Total payments and other debits	22,928	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
74 Mortgage revenue bonds	0	7,350	3,675	3,675	1
Subtotal	0	7,350	3,675	3,675	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
CITIZEN BANK	330	3,413	3,444	299	3
Subtotal	330	3,413	3,444	299	
Notes Payable (231)					
ON INTERFUND TEMPORARY LOAN	0			0	4
Subtotal	0	0	0	0	
Total	330	10,763	7,119	3,974	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
INVESTMENT IN LOCAL ELECTRIC COOP	7,759	2
SPECIAL ASSESSMENTS RECEIVABLE	10,000	3
Total (Acct. 124):	17,759	
Special Funds (125):		
DEPRECIATION AND RESERVE ACCOUNTS	26,493	4
Total (Acct. 125):	26,493	
Notes Receivable (141):		
NONE		5
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	23,494	6
Electric		7
Sewer (Regulated)		8
Other (specify):		
NONE		9
Total (Acct. 142):	23,494	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		10
Merchandising, jobbing and contract work		11
Other (specify):		
NONE		12
Total (Acct. 143):	0	
Receivables from Municipality (145):		
DUE FROM CITY-GENERAL 2004 TAX ROLL ITEMS	3,794	13
DUE FROM CITY-GENERAL ADDITIONAL FIRE PROTECTION FEES	1,312	14
DUE FROM CITY GENERAL-MISC OTHER ITEMS	2,768	15
DUE FROM SEWER-ALLOCATED METER EXPENSES 2004	2,856	16
DUE FROM SEWER-PRIOR YR EXPENSES FORGOTTEN TO BE PAID	2,977	17
Total (Acct. 145):	13,707	
Prepayments (165):		
PREPAID INSURANCE	122	18
Total (Acct. 165):	122	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Extraordinary Property Losses (182):		
NONE		19
Total (Acct. 182):	0	
Other Deferred Debits (183):		
WATER TOWER PAINTING	26,538	20
Total (Acct. 183):	26,538	
Payables to Municipality (233):		
DUE TO SEWER-A/R COLLECTIONS OWED	13,010	21
DUE TO SEWER-CONSTRUCTION COSTS NOT YET REIMBURSED TO SEWER	13,166	22
DUE TO SEWER-MISC OTHER ITEMS	157	23
Total (Acct. 233):	26,333	
Other Deferred Credits (253):		
Regulatory Liability	68,988	24
NONE		25
Total (Acct. 253):	68,988	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	805,899	0	0	0	805,899	1
Materials and Supplies	5,723	0	0	0	5,723	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	335,151	0	0	0	335,151	4
Customer Advances for Construction					0	5
Regulatory Liability	34,494	0	0	0	34,494	6
NONE					0	7
Average Net Rate Base	441,977	0	0	0	441,977	
Net Operating Income	30,946	0	0	0	30,946	8
Net Operating Income as a percent of						
Average Net Rate Base	7.00%	N/A	N/A	N/A	7.00%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	0.7	1
Electric		2
Gas		3
Sewer		4

**REGULATORY LIABILITY - PRE-2003 HISTORICAL
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year					0	1
Add credits during year:						
Establish Regulatory Liability 1/1/04	72,619	0	0	0	72,619	2
Other (specify): NONE					0	3
Deduct charges:						
Miscellaneous Amortization (425)	3,631				3,631	4
Other (specify): NONE					0	5
Balance End of Year	68,988	0	0	0	68,988	

FINANCIAL SECTION FOOTNOTES

Balance Sheet End-of-Year Account Balances (Page F-18)

Other Deferred Debits (Acct 183): amortization requires PSC authorization. Provide date of authorization.

UTILITY RECEIVED APPROVAL TO AMORTIZE PAINTING OF WATER TOWER OVER A SEVEN YEAR PERIOD VIA A LETTER DATED 3/20/2003.

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$2,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

DONE

Signature Page (Page ii)

General footnotes

CITY COUNCIL
LOYAL MUNICIPAL WATER UTILITY
LOYAL, WISCONSIN

WE HAVE COMPILED LOYAL MUNICIPAL WATER UTILITY ANNUAL REPORT INCLUDED IN THE ACCOMPANYING PRESCRIBED FORM FOR THE CITY OF LOYAL, WISCONSIN AS OF DECEMBER 31, 2004 AND FOR THE YEAR THEN ENDED, IN ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES ISSUED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS.

OUR COMPILATION WAS LIMITED TO PRESENTING IN THE FORM PRESCRIBED BY THE PUBLIC SERVICE COMMISSION INFORMATION THAT IS THE REPRESENTATION OF MANAGEMENT. WE HAVE NOT AUDITED OR REVIEWED THE REPORT REFERRED TO ABOVE AND, ACCORDINGLY, DO NOT EXPRESS AN OPINION OR ANY OTHER FORM OF ASSURANCE ON IT.

THIS REPORT IS PRESCRIBED IN ACCORDANCE WITH THE REQUIREMENTS OF THE PUBLIC SERVICE COMMISSION WHICH DIFFER FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. ACCORDINGLY, THIS REPORT IS NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH DIFFERENCES.

CLIFTON GUNDERSON LLP

TOMAH, WISCONSIN
MARCH 30, 2004

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	140,229	143,877	1
Total Sales of Water	140,229	143,877	
Other Operating Revenues			
Forfeited Discounts (470)	37	28	2
Other Water Revenues (474)	1,613	1,365	3
Total Other Operating Revenues	1,650	1,393	
Total Operating Revenues	141,879	145,270	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	44,010	43,958	4
General Operating Expenses (680-690)	27,042	20,346	5
Total Operation and Maintenance Expenses	71,052	64,304	
Other Operating Expenses			
Depreciation Expense (403)	17,374	15,785	6
Amortization Expense (404)		0	7
Taxes (408)	22,507	21,985	8
Total Other Operating Expenses	39,881	37,770	
Total Operating Expenses	110,933	102,074	
NET OPERATING INCOME	30,946	43,196	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	465	19,015	67,755	4
Commercial	80	4,654	14,979	5
Industrial	4	140	538	6
Total Metered Sales to General Customers (461)	549	23,809	83,272	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		54,062	8
Other Sales to Public Authorities (464)	10	852	2,895	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	560	24,661	140,229	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	54,062	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	54,062	
Forfeited Discounts (470):		
Customer late payment charges	37	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	37	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,068	7
Other (specify):		
OTHER MISC CHARGES TO CUSTOMERS	251	8
PATRONAGE REFUNDS FROM ELECTRIC COOP	294	9
Total Other Water Revenues (474)	1,613	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	15,744	12,267	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	8,499	8,510	3
Chemicals (630)	6,020	6,171	4
Supplies and Expenses (640)	4,473	4,828	5
Repairs of Water Plant (650)	9,274	12,182	6
Transportation Expenses (660)		0	7
Total Plant Operation and Maintenance Expenses	44,010	43,958	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	9,833	6,444	8
Office Supplies and Expenses (681)	235	1,286	9
Outside Services Employed (682)	3,500	2,864	10
Insurance Expense (684)	4,632	4,000	11
Employees Pensions and Benefits (686)	8,647	5,452	12
Regulatory Commission Expenses (688)	0	65	13
Miscellaneous General Expenses (689)	0	235	14
Uncollectible Accounts (690)	195	0	15
Total General Operating Expenses	27,042	20,346	
Total Operation and Maintenance Expenses	71,052	64,304	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		20,785	20,785	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		421	390	2
Net property tax equivalent		20,364	20,395	
Social Security		1,974	1,412	3
PSC Remainder Assessment		169	178	4
Other (specify): NONE			0	5
Total tax expense		22,507	21,985	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Clark				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.235830				3
County tax rate	mills		8.856400				4
Local tax rate	mills		10.297230				5
School tax rate	mills		10.812040				6
Voc. school tax rate	mills		2.283470				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		32.484970				10
Less: state credit	mills		1.439480				11
Net tax rate	mills		31.045490				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		10.297230				14
Combined School Tax Rate	mills		13.095510				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		23.392740				17
Total Tax Rate	mills		32.484970				18
Ratio of Local and School Tax to Total	dec.		0.720110				19
Total tax net of state credit	mills		31.045490				20
Net Local and School Tax Rate	mills		22.356157				21
Utility Plant, Jan. 1	\$	991,535	991,535				22
Materials & Supplies	\$	5,460	5,460				23
Subtotal	\$	996,995	996,995				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	996,995	996,995				26
Assessment Ratio	dec.		0.848000				27
Assessed Value	\$	845,452	845,452				28
Net Local & School Rate	mills		22.356157				29
Tax Equiv. Computed for Current Year	\$	18,901	18,901				30
Tax Equivalent per 1994 PSC Report	\$	20,785					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	20,785					34

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	2,302		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	40,162		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	42,464	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	18,271		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	38,870		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	16,841		20
Total Pumping Plant	73,982	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	8,065		23
Total Water Treatment Plant	8,065	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			2,302	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			40,162	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	42,464	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			18,271	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			38,870	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			16,841	20
Total Pumping Plant	0	0	73,982	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			8,065	23
Total Water Treatment Plant	0	0	8,065	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	600		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	95,204		26
Transmission and Distribution Mains (343)	371,880		27
Fire Mains (344)	0		28
Services (345)	68,773		29
Meters (346)	44,492	2,131	30
Hydrants (348)	60,241	3,166	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	641,190	5,297	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	2,495		36
Transportation Equipment (373)	12,165		37
Other General Equipment (379)	22,890		38
Other Tangible Property (390)	0		39
Total General Plant	37,550	0	
Total utility plant in service directly assignable	803,251	5,297	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	803,251	5,297	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			600	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)			95,204	26
Transmission and Distribution Mains (343)			371,880	27
Fire Mains (344)			0	28
Services (345)			68,773	29
Meters (346)			46,623	30
Hydrants (348)			63,407	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	0	0	646,487	
GENERAL PLANT				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			0	35
Computer Equipment (372.1)			2,495	36
Transportation Equipment (373)			12,165	37
Other General Equipment (379)			22,890	38
Other Tangible Property (390)			0	39
Total General Plant	0	0	37,550	
Total utility plant in service directly assignable	0	0	808,548	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	0	0	808,548	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	13,134		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	13,134	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	0	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			13,134	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	13,134	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			0	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			0	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	0	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	0	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	30,020		26
Transmission and Distribution Mains (343)	108,822	26,164	27
Fire Mains (344)	0		28
Services (345)	19,422	1,478	29
Meters (346)	0		30
Hydrants (348)	16,886	1,020	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	175,150	28,662	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	188,284	28,662	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	188,284	28,662	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			30,020 26
Transmission and Distribution Mains (343)			134,986 27
Fire Mains (344)			0 28
Services (345)			20,900 29
Meters (346)			0 30
Hydrants (348)			17,906 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	203,812
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	216,946
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	216,946

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			2,986	2,986	1
February			2,880	2,880	2
March			3,181	3,181	3
April			2,950	2,950	4
May			3,146	3,146	5
June			3,073	3,073	6
July			3,324	3,324	7
August			3,268	3,268	8
September			3,180	3,180	9
October			3,387	3,387	10
November			3,151	3,151	11
December			3,348	3,348	12
Total annual pumpage	0	0	37,874	37,874	
Less: Water sold				24,661	13
Volume pumped but not sold				13,213	14
Volume sold as a percent of volume pumped				65%	15
Volume used for water production, water quality and system maintenance				230	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales				3,500	18
Total volume not sold but accounted for				3,730	19
Volume pumped but unaccounted for				9,483	20
Percent of water lost				25%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				186	23
Date of maximum: 10/3/2004					24
Cause of maximum:					25
HYDRANT FLUSHING					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				65	26
Date of minimum: 2/2/2004					27
Total KWH used for pumping for the year				104,102	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
WELL	NO 1	34	18	41,000	Yes	1
WELL	NO 3	52	14	18,000	Yes	2
WELL	NO 4	57	10	12,000	Yes	3
WELL	NO 6	80	8	19,000	Yes	4
WELL	NO 7	40	12	14,000	Yes	5

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	WELL NO 1	WELL NO 3	WELL NO 4	1
Location	LOYAL	LOYAL	LOYAL	2
Purpose	P	P	P	3
Destination	R	R	R	4
Pump Manufacturer	JACCUZI	FAIR MORSE	BERKLEY	5
Year Installed	1988	1947	1950	6
Type	SUBMERSIBLE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	90	30	50	8
Pump Motor or Standby Engine Mfr	ELECTRIC MOTOR	ELECTRIC MOTOR	ELECTRIC MOTOR	9
Year Installed	1988	1947	1950	10
Type	ELECTRIC	ELECTRIC	ELECTRIC	11
Horsepower	8	8	10	12

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	WELL NO 6	WELL NO 7		14
Location	LOYAL	LOYAL		15
Purpose	P	P		16
Destination	R	R		17
Pump Manufacturer	STARITE	CRANE & DERNUNG		18
Year Installed	2000	1973		19
Type	SUBMERSIBLE	VERTICAL TURBINE		20
Actual Capacity (gpm)	50	35		21
Pump Motor or Standby Engine Mfr	ELECTRIC MOTOR	ELECTRIC MOTOR		22
Year Installed	2000	1973		23
Type	ELECTRIC	ELECTRIC		24
Horsepower	5	5		25

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	LOYAL		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		4
			5
Year constructed	1972		6
			7
Primary material (earthen, steel, concrete, other)	STEEL		8
			9
Elevation difference in feet (See Headnote 3.)	85		10
Total capacity in gallons (actual)	200,000		11
WATER TREATMENT PLANT			12
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		13
			14
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		15
			16
Filters, type (gravity, pressure, other, none)	NONE		17
			18
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	500.0000		19
			20
Is a corrosion control chemical used (yes, no)?	Y		21
			22
Is water fluoridated (yes, no)?	Y		23
			24
			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	4.000	14,875	0	0	0	14,875	1
M	D	6.000	17,501	525	0	0	18,026	2
M	D	8.000	25,034	0	0	0	25,034	3
M	D	10.000	6,298	0	0	0	6,298	4
M	D	12.000	3,902	0	0	0	3,902	5
Total Within Municipality			67,610	525	0	0	68,135	
Total Utility			67,610	525	0	0	68,135	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	498	0	0	0	498	30	1
M	1.000	122	3	0	0	125	30	2
M	1.250	2	0	0	0	2		3
M	1.500	4	0	0	0	4		4
M	2.000	9	0	0	0	9		5
M	4.000	1	0	0	0	1		6
Total Utility		636	3	0	0	639	60	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	580	12	0	(6)	586	59	1
1.000	12	0	0	0	12	12	2
1.500	4	0	0	0	4	4	3
2.000	7	0	0	0	7	7	4
3.000	3	0	0	0	3	3	5
4.000	3	0	0	0	3	3	6
Total:	609	12	0	(6)	615	88	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	471	65	4	5	0	41	586	1
1.000	0	9	0	1	0	2	12	2
1.500	0	2	0	0	0	2	4	3
2.000	0	4	0	1	2	0	7	4
3.000	0	0	0	2	0	1	3	5
4.000	0	0	0	1	1	1	3	6
Total:	471	80	4	10	3	47	615	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	91	1		(5)	87	2
Total Fire Hydrants	91	1	0	(5)	87	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	87
Number of distribution system valves end of year:	219
Number of distribution valves operated during year:	208

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

OPERATOR WAGES AND ADMIN WAGES BOTH INCREASED DURING 2004. THIS REFLECTS MORE TIME BEING SPENT BY THE CITY STAFF DOING WORK FOR THE UTILITY. WAGES ARE ALLOCATED BASED ON HOURS WORKED.

PENSION AND BENEFITS INCREASED DUE TO THE HIGHER AMOUNT OF TIME BEING SPENT WITHIN THE UTILITY AND ALSO AN INCREASE IN HEALTH INSURANCE.

REPAIRS AND MAINTENANCE ARE DOWN THIS YEAR WHICH REFLECTS LESS PROBLEMS DURING THE YEAR

Water Mains (Page W-17)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

ASSESSED TO LAND OWNER

Water Services (Page W-18)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

ASSESSED TO LAND OWNER

Meters (Page W-19)

Explain all reported adjustments.

ADJUSTMENTS REFLECT CORRECTION TO RECORDS. UTILITY FEELS MERELY A CORRECTION TO COUNT-NO DOLLARS INVOLVED.

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

YES ALL STATION METERS ARE TESTED EVERY TWO YEARS.

Hydrants and Distribution System Valves (Page W-20)

Explain all reported Adjustments.

UTILITY PERSONNEL WENT OVER STATISTICS AND FOUND HYDRANT NUMBER TO BE IN ERROR. IT IS FELT THIS STEMS FROM MANY YEARS AGO WRONG STATISTICS BEING REPORTED. NO DOLLAR VALUE ADJUSTMENT IS DEEMED NECESSARY
